

Minutes of the Finance Committee

Wednesday, June 16, 2004

Chair Haukohl called the meeting to order at 8:50 a.m.

Present: Supervisors Pat Haukohl (Chair), Bonnie Morris, Joe Marchese, and Ken Herro. Jim Behrend arrived at 9:00 a.m. **Absent:** Don Broesch and Genia Bruce.

Also Present: Legislative Policy Advisor Mark Mader, Chief of Staff Lee Esler, Administration Director Norm Cummings, Accounting Services Manager Larry Dahl, Waukesha Metro Transit Director Bob Johnson, Waukesha Metro Planning & Administration Director Andrew Johnson, and Veterans' Services Director John Margowski.

Approve Minutes of 6/2/04

MOTION: Herro moved, second by Marchese to approve the minutes of June 2nd. Motion carried 4-0.

Executive Committee Report of 6/7/04

Haukohl, who was not able to attend the last Executive Committee meeting, said they discussed the County's response to the HUD audit of the Community Development Block Grant (CDBG) Program.

Schedule Next Meeting Dates

July 14th.

Future Agenda Items

- Review the County's Response to the HUD Audit of the Community Development Block Grant (CDBG) Program (Marchese)
- Review Southeastern Wisconsin Regional Planning Commission (SEWRPC) Budget (Herro)

Behrend arrived at 9:00 a.m.

Review 2005 Budget Assumptions

Swartz distributed information from the 2005 Annual Budget Kickoff Meeting of 6/4/04 as well as 2005 tax levy assumptions, 2005 departmental tax levy targets, 2005 key dates, 2005 capital budget executive review schedule, and 2005 operating budget executive review schedule.

Cummings said some of the departmental levy targets could change based on revenues, etc., however, the bottom line should stay the same. The major 2005 budget drivers are jail expansion operating impacts, Communication Center full year budget, State budget projected impacts, and personnel cost to continue issues. The anticipated total tax levy increase for 2005 is \$1,770,000 plus \$1,245,000 for the jail expansion project. For comparative purposes, the 2004 tax levy increase was \$2,554,642.

Cummings discussed state funding cuts that will affect Economic Assistance and Youth Aids, among others. He believes departmental targets are too tight but they're hopeful they can find dollars so some of the departments can have a bit more flexibility. Cummings said the good news is they did not get tax cuts – they're increases – but not cost-to-continue. He noted that this budget will be more difficult than last year and next year's budget will be even more difficult. This is a tight budget and items have been taken out. The majority of the funds are for the Sheriff's Department and the Health & Human Services Department, as in most years, whereby Swartz discussed this as outlined in the handout. With regards to the County's health insurance plan co-pays and deductibles, Cummings said this is starting to show a benefit.

Report on Transit Routes and Contract with City of Waukesha

A. Johnson and B. Johnson discussed this issue as outlined in their handouts entitled "Waukesha County Transit Route Status as of March 1, 2004," "Waukesha Metro Transit – Waukesha County Transit System Administration Statistics," and ridership statistics per route for 2001 to 2003.

B. Johnson said they reached a settlement with Wisconsin Coachlines, a three-year contract, effective April 1, 2004. It will save approximately \$1.4 million over what they had originally bid. He noted they are monitoring them closely with regards to performance and service. Also under new three-year contracts are MV Transportation (for the New Berlin route), Milwaukee County Transit Systems (Routes 9, 106, and 79 – northwest quadrant of the County), and Curative Transportation Services (paratransit, parallel corridor). Those routes not under long-term contract are the extension of Milwaukee County Transit Route 10 to Brookfield Square along Bluemound, the extension of Waukesha Metro Route 1 to Brookfield Square along Bluemound, and Routes 6 and 8 which are also extensions of other routes. They have negotiated with UW-Milwaukee for the contract for the Youth Pass used on Route 901 (Wisconsin Coachlines between Milwaukee, Waukesha, and UWM) to begin with the fall semester. That contract had previously been between Wisconsin Coachlines and UWM.

B. Johnson said they will be monitoring route performance on a quarterly basis in 2004 and first quarter figures should be available soon. Haukoil requested copies of this report for the Finance Committee. B. Johnson said they are working on the 2005 budget and they have received some preliminary budget parameters – basically no change for 2005. B. Johnson said they will add a route this year once their new terminal opens, probably at the end of August, connecting downtown Waukesha and the Stonewood office park area in the City of Pewaukee north of I-94. He expects ridership to be fairly good because there has been a lot of demand for this service.

A. Johnson said the commuter routes provided by Wisconsin Coachlines that go into Milwaukee from the mall areas carry a lot of people but also have a lot of expenses. They are hopeful the contract recently put in place will decrease those expenses quite a bit. He said they are currently working with Milwaukee Transit on a few of the Milwaukee routes to Menomonee Falls to expand services there and increase ridership. They don't have a lot of control over the mandated paratransit service although they have mitigated that expense quite a bit when the fares increased last year. Essentially, there have not been a lot of problems or complaints due to the fare increases and ridership remains strong. A. Johnson said the Waukesha Route 1 and Milwaukee Route 10 extension routes continue to be "backbones" for ridership. They're much more cost effective because the infrastructure / route is already there – it's a simple extension we have to pay for.

Change of Budget Intent – Monuments Honoring County Veterans

Margowski discussed this issue as outlined in a memo to Chair Haukohl from County Executive Dan Finley dated June 2nd. Margowski said this is in honor of the 118th unit of Waukesha County when they come back but it will also honor all living veterans who have served in the armed forces. Margowski noted there are many memorials honoring deceased veterans. The memorial (two monuments) will be placed behind the flagpole adjacent to the USS Waukesha monument.

The estimated cost is expected not to exceed \$9,000. To fund the memorial, fixed asset equipment budget appropriations are available in the Non-departmental General Fund budget. These funds were originally budgeted as a reserve for cafeteria equipment but are not planned to be used.

Behrend suggested a resolution be drafted on behalf of the County Board honoring Waukesha County veterans to coincide with the dedication of the new monuments. Margowski suggested the resolution be done once we know when the 118th is returning.

MOTION: Marchese moved, second by Herro to approve the change of budget intent and that a resolution from the County Board be drafted honoring county veterans. Motion carried 5-0.

Review Report Entitled “Central Services Cost Allocation Plan” (Report summary to be distributed at meeting)

Dahl distributed a summary of this report which is also referred to as the Griffith Report, the DMG Report, or the Maximus Report. Dahl said the plan distributes allowable costs of “central service” departments to “grantee” departments or programs. Central Service departments generally provide services to other County departments rather than directly to the public (i.e., Payroll). Grantee departments provide services directly to the public (i.e., Parks). Dahl said the plan is used for a number of things. Departments can use the numbers to apply for reimbursement on grants. They also use it for the enterprise and internal service funds to help staff capture costs and establish rates. Often, it is used for analytical purposes, for example, cost per client for a particular service. Dahl reviewed 2005 County indirect cost allocations as outlined in the handout.

Behrend left the meeting at 11:28 a.m.

MOTION: Morris moved, second by Marchese to adjourn at 11:30 a.m. Motion carried 4-0.

Recorded by Mary Pedersen, Legislative Associate.

Respectfully submitted,

Bonnie J. Morris
Secretary